

**Center for Digital Government  
Executive Teleconference – Mike Inman – January 11, 2006**

**AI:** Thank you Justin. For those in the West, good morning, and for those in the East and in the heartland, good afternoon, and to those in the inner mountain region we hope that you brought your brown bag today. So please stay with us for today's executive teleconference. My name is Al Sherwood and I am a senior fellow for the Center for Digital Government and the moderator for today's program. With us today is our special guest, Commissioner of Technology for the State of Kentucky, Mike Inman. Mike, welcome to the program.

**AI:** In a few moments Mike will be telling us about the great things happening with IT in the State of Kentucky, and he says that he has got a full program ready for us today. First, I want to tell you a little bit about our guest. Mike Inman is the Commissioner of Technology for the State of Kentucky, he was appointed by Gov. Ernie Fletcher in May 2004. Since that time, he's focused his efforts on executing the governor's IT vision, the Prescription For Innovation. Under his leadership the Office of Technology has transformed itself into a modern IT organization and refocused on reducing costs, improving services, and ensuring the value of IT in the business of government. In June 2005, Gov. Fletcher signed an executive order that called for the consolidation of IT, where possible, to reduce costs, eliminate redundancy, improve services and enhance security.

Before coming to state government, Commissioner Inman worked with the federal division of Computer Associates, that's CA International. At CA, Mike focused on building information technology solutions for the Department of Defense. Also, he is a retired veteran of the U.S. Army, having served with the 101st Airborne Division during operation Desert Storm. Mike has a Master's Degree in Information Systems Management from the University of Southern California, and also a Masters of Military Arts and Sciences from the U.S Army Command and General Staff College. Commissioner Inman is active in the National Association of State CIOs, NASCIO, and currently serves on the organization's Executive Committee. Now I want to turn some time over to Mike for his presentation today.

**Mike:** Thank you very much, and thank you for the opportunity to join you on the call today. I did this conference in March of last year and it was kind of interesting when I was asked to do it again. As I got to thinking about it, a lot has happened since we talked last time and so the timing is probably good to visit some of those things again. Before I get into the details about what is going on in IT let me tell you about something else that is going on in Kentucky that we are very excited about. The Federation Equestre International just announced in December that the 2010 World Equestrian Games will be held in Kentucky, the first time that the games have been held outside of Europe. And we expect this 14-day series of competitions to bring more than 800 equestrians and 1,000 horses from 50 countries and as many as half a million attendees. We are going to have the opportunity to have an international TV audience of viewers focused on Kentucky, and I think that they'll get to see it kind of the way that we do and come to love it the same way. Our new state logo, Unbridled Spirit, was intended to capture the essence of Kentucky, but it's sort of doubly reflective of Kentucky and our horse industry that the games will bring.

But we are here to talk about technology so just to set the stage for those who are not familiar with the organization I represent, or me, let me just give you some background. I serve in Gov. Ernie Fletcher's administration as the Commonwealth

Commissioner of Technology and as the state's CIO, and I report directly to Secretary of Finance, Robbie Rudolph. We provide services for all elements of state government but are primarily focused on providing infrastructure support to the Executive Cabinet, and development support for the large, mostly legacy government applications. I have specific management responsibilities in my role as the head of the largest IT organization of state government, but I also have oversight responsibilities for IT across the Executive Cabinet.

Among my responsibilities are strategic planning, governance, overseeing shared resources and services, enterprise architecture, oversight of public safety communications, geographic information systems, and serving as a focal point for IT for both the public and private sectors. So the Commonwealth of Kentucky is the 26<sup>th</sup> most populous state with a population of over 4 million citizens. The state government employs about 35,600 people and has an annual budget of just over \$20 Billion. The Governor's Prescription For Innovation, as I mentioned, is the main technology driver in the state's economy and for us in state government. It has essentially 3 points: increase computer use by our citizens, increase the online accessibility of government services to our citizens, and increase the availability, awareness and adoption of broadband. Our other specific drivers are to reduce the cost and improve the efficiency of IT to enable us to focus on increasing the services available to our state's employees and citizens. With an ever-increasing threat in the cyber realm from every form of malicious code and threat to our privacy, through attempts to access or steal personal information, security and privacy concerns must also be a driver for IT.

My office, the Commonwealth Office of Technology, has about 550 employees and contractors. Our annual budget is about \$64 Million this year, with almost all of that coming from restricted funds. We're a zero-based agency, meaning that we do not get a direct appropriation from the legislature; our funds come from agency receipts. Specific projects may have some general fund dollars, and we do get some grants for projects in the GIS area, Homeland Security and the interoperability area. Our Capital Project undertakings follow the same process as all other state agencies. Any projects over \$400,000, including software, hardware and services are submitted to the Capital Planning Advisory Board on a biennium cycle for approval.

When I first discussed this position with Gov. Fletcher and Secretary of Finance Rudolph, the Governor gave me an outline of a vision of what he wanted to do with technology in state government, and we have used that vision ever since then to guide what we are doing. He asked me to take an enterprise view of IT, to consolidate whatever I could on the utility model, to standardize and eliminate redundancy, and not to limit myself to state government alone, but to be a voice for technology, in education and the economy of Kentucky. This vision remains our guiding principle and it is now expressed in a vision statement:

'By taking an enterprise approach to the management of information technology the Commonwealth Office of Technology will transform the use of technology in state government to achieve a closer alignment of technology investments to the business of government, an increased value from those investments, better management of risk, greater control over escalating costs, and a marked improvement in service, both in terms of what is offered to employees and citizens, and in the quality of the delivery.'

Before I get into the organization, let me tell you about our people. We have some of the most talented and dedicated workers you will ever meet, whether in public or private sectors. What we do here is public service to the extreme; the pressure on our workers to constantly deliver is tremendous. When I took over we didn't have the best reputation for service and I have talked to some of my peers in other states, and I know that this is common of some of the large IT organizations. Since then, we've worked hard to change our focus to one of customer first, and really it has been our employees who have stepped up and carried the mantle for that. Whether it is dealing with the pressure of meeting legislative mandated requirements to change legacy code in a short amount of time, or struggling to keep up with the ever-increasing demand for network and storage reliability, or even hauling fuel up the mountain to refuel generators at a microwave tower site for the Kentucky Emergency Warning System, our employees are meeting the challenge everyday, and they have been doing it during a period of extreme transition and activity in the state's IT environment.

It is not just the employees who are rising to meet the challenge. We are seeing evidence of IT transformation in virtually every cabinet and agency of state government. My primary means of staying in touch with the other cabinets and agencies is through the Commonwealth Technology Council. The CTC, formed from cabinet and agency Information Technology Officers (ITOs), assists my office in targeting and delivering IT resources for maximum business value to the commonwealth. It provides recommendation on policy, direction, planning and legislation, and it works to identify opportunities and conduct joint planning for shared services implementation, sourcing, investment and cost recovery, and provide stewardship over state IT programs and projects. I consider the ITOs and the cabinets and agencies full partners in our vision of transforming IT in the state.

I want to take just a minute and talk a little bit about our internal organization. COT is organized into 3 offices. The Office of Enterprise Policy and Project Management is responsible for helping me carry out our strategic planning, standards and architecture, governance and enterprise project management functions. The Office of Application Development builds and maintains most of the state's critical, larger enterprise business applications, and the Office of Infrastructure Services provides the bulk of shared services for the Executive Cabinet and to a lesser extent, the rest of state government.

Let me talk just a moment about the Office of Enterprise Policy and Project Management. We reorganized that office significantly to take it away from being largely policy driven to one that actually has hands-on responsibilities for working with projects across the cabinets. They are busy now building a portfolio of applications and open projects, they are updating their standards and developing a new model for enterprise architecture, and they are getting ready to implement a commonwealth-wide enterprise project management information system.

The Office of Application Development has probably had the most significant change in its organization since I have been here, and that was officially documented in that executive order in June of last year. We formally had elements of development that were focused on specific tasks; there were divisions, for example, one for transportation and so forth, and we had people in those divisions who had all the business knowledge of a segment of the cabinet's business and the applications that support it. They were, in effect, in one person the manager, project manager, analyst, developer and tester; they built, employed, maintained, and updated the application.

We had very little insight into what was being done, and you cannot manage what you cannot measure, and the other thing is that we were actually losing money in this area. So we redirected our efforts by organizing, and I will give credit for this to Vibhas Chandrachud, the Executive Director, to Gary Rue, his deputy, and to Mike Montgomery, one of our division directors there who really transformed this organization from a very stovepiped organization to what we call the COT Delivery Model. We have a new organization there now. We have analysts and we have developers organized into one division, grouped by technical skills rather than by business areas, and we have created a Division of Data Services and a Division of Support Services. The latter is in charge of quality control and testing. For those of you that focus on the business of building software application for customers, you might not think that this as a radical change, but I think that in most state governments this is a pretty significant change from what we did in the past. We think that it is essentially applying a business "best practice" directly to the business of government. It gives us the flexibility to shift priorities and allows us to take an enterprise perspective on building applications, and it has proven to be a huge cost reducer in the cost of building applications.

We reorganized our Office of Infrastructure Services using a horizontal model, unlike the previous vertical model, and an example of what we mean by that is that, before, the mainframe was an organizational unit, a unit in itself. Today we treat that just like any other platform. There is a software group that manages the operating system, the storage group that manages the storage, an application group that manages the mainframe, and so forth. The services that OIS provides include operating the data center, providing consolidated e-mail, data and storage services, server management, print operations and the consolidated services.

Overall, the State of Kentucky has about 1,300 employees involved in IT, and we spend about \$305 Million on IT that is documented as IT expenditures. Some is wrapped up in the business of some of the cabinets, so we may not have gotten everything, but we found \$305 Million. One of the most important functions of my office is the biennial capital projects review for IT projects. As part of the capital planning process, we review, score and prioritize the portfolio of all submitted IT projects. I will tell you that is not a small task. Just as an example, the total planned budget amount of state agency capital items submitted for the 6-year budget cycle beginning in 2006 represents an estimated cost of over \$1 Billion. This was almost twice the total planning dollars from the last planning cycle. There are 86 capital projects totaling \$350 Million submitted for the next biennial budget. We believe that the significant increase in expenditures is probably attributed to the condition and cost of maintaining many of our legacy applications, and trying to replace some of those, as well as the pent up demand for new IT capital projects that was held over from the period in 2004 when we did not have a state budget.

It might be interesting to note that although this state, like most states, is struggling to meet the budget, primarily due to the rising cost of Medicaid and entitlement programs, IT spending has also been steadily increasing for several years. The last two budgets have each had more spending for IT than the previous budgets, and it is likely to be true for the budget next week that will be put before the current legislative session. As an example, the Governor announced Monday night in his State of the Commonwealth speech that he is supporting a proposal to return Kentucky to a position of leadership in the use of technology in the classroom. We were one of the very first states to deploy broadband to all of our schools, but we

have not kept up with the increasing demand for capacity, and we hope to restore that position of leadership in the near future.

We had a number of success stories in 2005 and I would like to take a moment to highlight just a few of those. One of them is in the area of geographic information systems. We continue to be a national leader in this area. In 2005 we took it to a new level. We were one of the first states to complete the linkage of our Commonwealth Map to the National Map, and we far exceeded the original requirement. We were asked to connect 12 layers, and we actually submitted 26. The U.S. Geological Survey recently sent representatives to Frankfort to present a plaque to the Governor in recognition of these accomplishments. We were awarded a grant from the National Oceanic Atmospheric Administration to begin a Height Modernization program to replace the outdated and sometimes missing benchmarks around the state. Eighty percent of the benchmarks are believed to no longer exist. We see height modernization as a key to economic development for the state.

We built a web-mapping portal that currently contains over 110 emergency management relative thematic layers. This portal is being used by emergency management, the National Guard, the Office of Homeland Security, Health, Agriculture and Criminal Justice to plan and react to emergency related situations. Our current focus is on planning for a possible Avian Flu pandemic. We call this system the Kentucky Event Mapping and Analysis Portal. Nearly all of our GIS accomplishments have come about because of our enterprise implementation of GIS in the form of our Kentucky GEONET. Kentucky GEONET is a central cataloging service that includes a robust geospatial data warehouse. We are now in the process of making the services of our GIS systems available to city and county governments.

Kentucky was one of the first states to link the sex offender registry site with the national sex offender public registry site. We are able to link directly to the site without having to upload our data and that has to do with the quality of the system that we built. Our Uniform Criminal Justice Information Systems program continues to set a very high standard. We are just completing a pilot project for an electronic warrants system and we are now preparing to deploy that statewide beginning this year. In the area of wireless data interoperability, we have selected a standard for a statewide wireless data network and we will have that statewide wireless network by June of 2006. This network will allow any first responders from any jurisdiction to enter the wireless network and remain on that network as they traverse the state. We are also deploying interim solutions in the voice communication area. Our Mutual Aid and Interoperability project is being implemented to provide first responders throughout the commonwealth the ability to cross communicate with each other on a common frequency within their operational bands. We are doing this at no cost to the first responders and it is not going to require them to have any new equipment or personnel to use it.

We were selected to participate in a Department of Homeland Security SAFECOM (Safety Communications) program this year that will collect information on voice radio requirements and assist us in developing a more permanent and comprehensive wireless voice solution for the commonwealth. We are now virtually complete in our roll out of the Kentucky Information Highway update, KIH2. This contract replaces the nearly 10-year-old KIH1, and represents a significant reduction in cost and increase in capabilities for the commonwealth over the previous contract.

During the 2005 legislative session the Kentucky General Assembly created, amended or repealed numerous state tax related statutes. These changes, which became known as Tax Modernization, comprised the most extensive tax reform in over half a century in Kentucky. The tax reform was long overdue, but it meant that new computer software would have to be developed and hundreds of computer programs, forms and procedures would have to be changed in a short period of time. Thanks to a strong working partnership between the Kentucky Department of Revenue and the Commonwealth Office of Technology we are well on our way to implementing these extensive changes necessary to our tax modernization.

I mentioned earlier the Governor's Prescription For Innovation. One of its points is to increase the use of computers among our citizens. To further this goal, and in line with our vision of being a promoter of technology in our schools, we partnered with ConnectKentucky and the Kentucky Department of Corrections in a program called No Child Left Offline. Essentially, it involves us collecting salvageable state computers that are removed from network service. We send these computers to Corrections where they are refurbished. We have software grants from Microsoft and Computer Associates and printers from Lexmark. We assemble packages and send them to children in the 8<sup>th</sup> grade who are identified because of need. It is interesting that in the first roll out in Johnson County, the community stepped in to further ensure the success of the program. The Johnson County Public Library, the Mayo Campus of the Big Sandy Community and Technical College System, and the Johnson County Middle School's Gear Up program are all collaborating to provide four hours of computer courses for basic skills and office applications.

One of the current things that we are working on is the Kentucky Emergency Warning System upgrade. Kentucky was one of the first states to roll out a statewide Emergency Warning Network. Our network, a system of 144 towers that support a microwave communication system linking all portions of the commonwealth, was deployed in the 1970's in response to a string of killer tornadoes. It has served the state well, and in fact still serves pretty well, but it is a very dated maintenance-intensive analog system. The legislature appropriated \$13 Million for the first phase of a digital upgrade for the system in 2005, and we hope to have a contract in place within a few weeks to begin this upgrade.

You mentioned earlier that the Governor had signed an executive order directing us to assess and consolidate wherever practical in terms of IT across the state, and we have moved out smartly on that. We actually began working in advance of the Governor's directive with voluntary assessments made in four cabinets and agencies. Our methodology is very simple, we call it ACOM. It mean assess, consolidate, optimize, and manage. We have, to date, consolidated the IT for Finance, including the former Revenue Cabinet, Commerce, and the Governor's Office for Local Development. We are working to finish the Justice Cabinet now, and we have assessed one other cabinet in preparation for assuming responsibility for their support.

IT consolidation required us to do some significant rethinking about our business. We needed a way to measure where we were, and a blueprint for where we wanted to go with the organization. One of the first things that we did was to commit ourselves to the Information Technology Infrastructure Library model, or ITIL. We had ourselves independently assessed against ITIL, and are working to improve against the industry standards in terms of process, organization and qualification of our

workforce. We then used ITIL as the assessment tool to begin looking at the other cabinets.

One thing that we had to address was the data center itself. It is a nearly four decades-old facility that was originally built to consolidate the state's then growing number of mainframe computers. The mainframes had very different power requirements, cooling requirements, and even distribution of weight on the floors. We had a complete assessment done on the data center... power, cooling, productivity, etc, and developed and worked down a punch list of items that needed to be addressed. That was not without some pain. We had to go through a number of power shutdowns in the facility in order to eliminate single points of failure. We had also had some experiences in addition to the assessments that told us that we kind of needed to address those things, but all in all we ended up with a pretty fantastic data center. I would say that most states undertaking consolidations have to first build a data center, but we have one, and it is a superb facility.

We created a whole new Enterprise Service Desk, outside of the data center. We did a complete reinstall of our helpdesk software, and we used outside contractor support to help us do this, but we reestablished the service desk and are operating it now against ITIL standards. We have implemented a Change Advisory Board and a change management philosophy and process. As we go about consolidating infrastructure, we are committed to entering into agreements on service levels, and holding ourselves accountable for them.

One of our most significant responsibilities is to provide governance over IT spending. Much of that spending is beyond my direct control, in the cabinets and agencies of government. We initially looked at our own project management processes, and we decided to adopt the Project Management Body of Knowledge (PMBOK) methodology to advance our ability to deliver our projects on time, on budget, and against requirements. We also realized that to meet the statutory requirements imposed on us, we needed to be able to see what the agencies were working on. Typically, we only know what they are doing when they submit a RFP request, or during the Capital Projects request process each biennium. This is often after they have done a lot of work and made expenditures towards a project that might be duplicative, and not in accordance with where we are headed in terms of our architecture. So we embarked on establishing what we like to call the Enterprise PMO. The EPMO is a center of expertise in project management that is available to every agency to draw on. We do it in a way to minimize the cost to the agencies. We promote standards and project management, and we are now in the middle of an RFP process to acquire the tools that we need to automate management of projects across the enterprise.

Another very interesting thing is that Kentucky has been known for a long time for the quality and diversity of its state parks system. One of the things that we have been missing is having Internet capability in the parks, so we are working along with the Commerce Cabinet to roll out a high-speed wireless service installation program for fifteen of the Kentucky State Resort Park facilities. This project entails the installation of a state-of-the-art wireless network to provide Internet connectivity for park guests and offices. This service will be provided to nearly 700 guest rooms, 45 meeting rooms, and all public areas including lodge lobbies, dining rooms, and lounges. The technology will provide a 2.4 GHz RF wireless solution transmitting at 54 megabits per second. The system will provide security and allow for centralized management.

Like many states and businesses, Kentucky is saddled with a number of legacy systems, some of which are high performing systems that run on our mainframe. There are a number of development platforms, but COBOL is the dominant platform. We have nearly 16,000 COBOL programs in production. We are spending a significant amount of money just on operating these systems, but more important is the cost to make even minor enhancements to these systems. There are several big projects underway at this time that illustrate the point. Tax Modernization, I already mentioned, is one. We have been actively engaged in developing the Tax Modernization system for over a year now, and the cost in personnel hours has been huge, at nearly 20,000 hours.

The 2004 legislature enacted a statute that requires the Revenue Department to collect all overdue debts to the state, and that debt is recorded in literally hundreds of disparate databases and systems. The requirement to electronically link these systems is costly and time consuming, but it is financially rewarding to the state to do it. We are trying to find a way to link those legacy systems and to do it in a more economical way, and we have embarked on a road now to move our application environment to a Service Oriented Architecture. During 2005 we established the process, defined the boundaries of our current point-to-point architecture, and set up the infrastructure to support the action.

In 2006, we will move to build a common source code repository and service registry and implement an Enterprise Service Bus on the mainframe, and establish an Integration Competency Center. This Enterprise Service Bus is at the core of our efforts to implement a Service Oriented Architecture. This architecture construct will deliver all of the inter-connectivity capability required to leverage and use services implemented across the entire architecture. By going to an Enterprise Service Bus as part of the SOA, COT can change the system interfaces to "services," as we progress toward a complete open standard-based SOA implementation. Upon migration to an SOA through the successful implementations of an Enterprise Service Bus, we expect to reduce development costs by half and eliminate our dependency on expensive expert programmer support.

As we move forward, we are aggressively addressing the issue of legacy code. Dr. Sam Dunn, appointed CIO for the Cabinet for Health and Family Services, is already working to update several legacy applications. This past year CHFS let a new contract to EDS for a new Medicaid Management Information System. They are working to address the Child Support, TANF, and Child Welfare applications. Recently they tested a wireless capability for case workers out in the field. This includes a cell phone, laptop, and digital camera. This connectivity allows case workers to fully document and report situations and conditions as they move from one case location to another. The level of connectivity is vital to providing a quick response to citizen needs, and also to the personal safety of the caseworkers.

We have requested money in the upcoming legislative session for a new Comprehensive Tax System to replace much of the legacy code in our current system, and we are working with the Department of Revenue to develop the requirements for that system. We think that the Real ID Act gives us the opportunity to tackle our Driver's License and Automated Vehicle Information Systems. Kentucky was one of two states awarded a \$3 Million grant by the Department of Homeland Security to develop a pilot for the Real ID programs.



One of the areas that I think is most interesting for us is in the area of Health IT. Health IT has really come to the forefront in Kentucky lately. It had been on our agenda for several years, and we are a national leader in the area of telemedicine already with our Telehealth network. Our Kentucky All Schedule Prescription Electronic Recording System, or KASPER, tracks controlled substance prescriptions dispensed throughout the state. A KASPER report shows all scheduled prescriptions for an individual over a specified period of time, reporting both the subscriber and the dispenser. We have enhanced that system to make it a web-based system now. You might know that during Hurricane Rita and Katrina recovery such records proved invaluable to ensure displaced persons got medical care and prescription medicines that they needed. What we are doing now, in 2005 the legislature enacted legislation calling for the creation of a statewide electronic health network that linked all healthcare providers, primary care facilities and pharmacies, and provides for the sharing of vital medical information. The objectives are to improve medical care by reducing the potential for error in medical records, improve patient privacy and help control rising costs.

**AI:** You work with many private partners that help execute your vision for IT. In your opinion, what makes a poor partner, a good partner, and a great partner?

**Mike:** I like that you used the word partner. There are a lot of vendors who call on us. We do have some real strategic partners. I hesitate to name any names because I know I will leave somebody out. What you are looking for in a partner is the recognition that things will happen. You want someone who gets you back in business as quick as possible. We have some companies that are there for us and we greatly appreciate the relationship we have with them.

**AI:** You touched on service oriented architecture. For the last few years we have been hearing a lot about emerging web services approaches and the use of XML standards. Does the Kentucky state government have a plan to enable web services and if so how would you characterize that plan? A wait and see, go slow, or aggressively pursue over the next 12-18 months?

**Mike:** I would say it is to aggressively pursue. Yes, it's a key component. The intention is to use web services to deliver to the Enterprise Service Bus a lot of the functionality. Our problem today is that the connections within all these legacy applications are point-to-point. For example, the revenue systems, if you put up a chart, and Mike Montgomery has done a wonderful job of identifying and laying out all these legacy applications and all the touch points. But when you look at that and see all these interconnections – every time you make an enhancement to that application, every one of those touch points has to be changed. What we are trying to get to is a point where we build an interface then the only changes that have to be made are that one connection. You don't have to make changes to all the different touch points. XML does figure prominently in our plan going forward.

**Danielle:** How much does the federal GSA Schedule 70 influence Kentucky agencies? Do you use it?

**Mike:** We do not. Our procurement system does not recognize the way a GSA contract is awarded. We have a couple of different ways of getting services. One of those is a straight out RFP process where we let contractors and vendors bid. We also have a number of contracts that stay in place. We have a Strategic Alliance Services (SAS) contract; we have a Systems Development Services contract (SDS).

Strategic Alliance contracts fit into two categories: there's a full service and a niche service. If a vendor has a full service we select them on their basis of providing solutions across the board. A niche service might be something like document imaging, as an example. Anyone that has a document imaging problem goes to that contract. The Systems Development Services contract is a way for us to get project managers, programmers, consultants, database analysts, designers and so forth without having to go through an RFP process. But we do not use the GSA contracts at all.

**Al:** An e-mail has come in with the person requesting to remain anonymous. Let me read it and then get your take on it. The current Kentucky quarterly procurement program seems to be very expensive and inefficient in this person's opinion. Wouldn't an open, certified procurement program better meet your needs?

**Mike:** It's kind of hard to understand what they are asking. There really isn't a quarterly procurement program. What we do is aggregate requirements for things like PCs when we have a requirement for sufficient quantity. As I said, we do have the state vendor contracts that we go to. Currently, I believe there are four providers of PCs that we use. We are always trying to re-examine and see if this is the best way to balance between getting the best price with the best value from a contract. Also, we have to meet the needs of the requirements. As we move forward, we want less diversity in our organization. The problem is trying to manage a very large network. You can't have so many different versions of PCs out there. Just the manpower to repair and maintain them is pretty extensive. But also trying to manage that centrally from a network becomes more complicated the more images you have for PCs out there. Not sure if that's answering the question, but I would say that we are constantly re-examining the way we go about securing PCs

**Dean:** Regarding the digital ID project, what did you mean by that? Is it a specific application? Can you go into more details of what that encompasses?

**Mike:** I think you are talking about the Real ID Act. Real ID is a federal program mandated in the legislation that was passed early last year by congress. It's a Department of Homeland Security program. The idea is that we would establish some hard criteria for how we go about issuing a state drivers license if we are going to use that as identification for things like air travel or crossing the borders. The idea is that instead of the system that we currently have, where it is pretty lax in some states where you can get a drivers license. Someone who is not a citizen of the United States might be able to get a drivers license with very little verification of his or her personal information. The idea of Real ID is that you would have to provide several different types of identification, and those would have to be verified prior to issuing a drivers license. It is called Real ID and not Drivers License, because every citizen would actually need this, whether they are a driver or not. We would have to issue an ID to everyone whether they got a drivers license or not. The problem with this is that in 2008 when you show up at a counter or an airline and you travel, your state-issued ID card or drivers license will no longer be valid for that purpose. You must have one of these Real ID's with the way that the law is written now.

**Tim:** When is the contract up for renewal, when a vendor can get on a contract? Second question, could you go into a little more detail about the wireless deployment in the parks areas? Have there already been RFPs chosen or are you currently evaluating?

**Mike:** In answer to your first question, about the contracts, the SAS contracts right now have been extended through October of 2006. The presumption is that we would extend those contracts in preparation for having a new contract in place at some point during 2006. The SDS contracts, the staff augmentation contracts, have been extended until June 30 of 2006, and we will be revisiting those contracts this spring with the idea of having a new contract in place on July 1. That is the latest thinking. We have not actually issued an RFP yet, but that is what we are thinking right now.

Your question about wireless in the parks is one that I probably will not be able to answer, because I am not sure where we are in that process right now. I think that we have a vendor selected and are in negotiations.

**Al:** You touched a little bit on broadband... how do you attract high tech companies to Kentucky? What role do you think that broadband should play in this process?

**Mike:** We here in Kentucky believe that broadband is very important. I believe that Brian Mefford and the folks at ConnectKentucky who actually manage our effort to roll out broadband statewide, I believe that they will tell you that we are the fastest growing state in the union for increasing the availability of broadband. There are always some problems with getting people to accept or adopt, but the pressure is now on me to increase the offerings that we have in the way of government services online. I need to catch up with the capability that we are rolling out with broadband. I think that broadband is very important if you read the literature and see the number of cities and other states that are putting huge amounts of effort into broadband. Last year we hosted the Rural Telecommunications Congress, and I participated in sessions there. It is really interesting to see how much interest there is all across the country in broadband. Everyone sees broadband as the key to the new economy. We cannot afford to have overseas countries have better connectivity than we do and taking jobs from this country. Companies today when they go to locate in some place look at things like road networks, airports, and water. They also look at broadband availability. It is a reflection of the technological savvy of your citizens; it's a key component of connectivity for your company. It's not just about business; it's about quality of life. We have got to solve the broadband problem.

**Al:** I'm curious...do you have the governor's support for municipally-owned broadband, and why or why not?

**Mike:** We support broadband any way that it can be delivered. I won't talk specifically about municipal support and I certainly would not speak for the governor. Our objective is to increase the availability of broadband and to give our people a choice. Our cities have really good connections. What we are worried about right now is sort of the last mile – people that live in the suburbs and rural areas. I am very fortunate. I live in a rural area and I am actually working from home this afternoon. I have DSL connectivity and could have cable connectivity if I wanted it here. I am just very fortunate because of the location I am in. Most of the people that live outside the metropolitan areas of Kentucky are the people we need to reach.

I just want to sum up by saying we face a lot of challenges in Kentucky just like everyone else does. It is one of the things that is driving a lot of the force towards automation, and doing something about our legacy systems, and the fact that our retirement system is going to change in 2008. As a result of that, we expect to lose a significant portion of our workforce due to retirement. I mentioned earlier what I

thought about the quality and dedication of our workforce. This is going to be a blow to it. The only way to look at that is that it is both a challenge and an opportunity. We need to take advantage of this and automate and move away from some of the labor-intensive legacy systems. You have no choice but to come up with the money to maintain a legacy system and operation system because it is your life, but in many situations we can figure out a way to freeze those systems. We can take the money that we are spending right now to enhance and divert to new systems and we would be much better off in the long term. It is just very hard to come up with that pot of money you need to get started. That is something that has got to happen. I would also point out that privacy and confidentiality are a big challenge for all of us. The more data you aggregate in one place, the more you must be focused on the issues of protecting that data. That is a pressure that is incumbent on all of us. Let me just sum up by saying we have a lot going on in Kentucky. Come and see it if you do not believe it. We certainly invite you to be here for the World Equestrian Games, so put that on your calendar. It is a very exciting time to be working in IT in Kentucky.

**AI:** Can you tell us about the Kentucky Digital Government Summit? I've got it here for April 25<sup>th</sup> at the Embassy Suites in Lexington, Kentucky.

**Mike:** I would like to see as many people there as possible. That gives us a great opportunity to get together at both the state and local government level and with industry to learn about new things and share information about what we are doing. It is always a great event. I look forward to seeing everyone there.

**AI:** On behalf of the Center for Digital Government, I would like to thank Commissioner Mike Inman for his participation. I would also like to thank our listening audience.